EXHIBIT F18

SEWER CONSTRUCTION AND MAINTENANCE AGREEMENT, DATED AUGUST 3, 2009, BY AND BETWEEN THE DEVEREUX FOUNDATION AND THE TOWNSHIP OF WILLISTOWN



RETURN TO: Lamb McErlane PC 24 East Market Street, Box 565 West Chester, PA 19381-0565 RETURN TO

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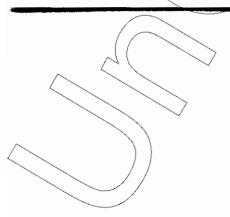
SEWER CONSTRUCTION AND MAINTENANCE AGREEMENT

THE DEVEREUX FOUNDATION ("Devereux")

WILLISTOWN TOWNSHIP ("Township")

This Document Recorded Doc Id: 10958473
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SEWER CONSTRUCTION AND MAINTENANCE AGREEMENT

THIS SEWER CONSTRUCTION AND MAINTENANCE AGREEMENT ("Agreement") is made this 3rd day of August, 2009, by and between THE DEVEREUX FOUNDATION, a non-profit entity duly formed under the laws of the Commonwealth of Pennsylvania with an address at 444 Devereux Drive, Villanova, Pennsylvania 19085 (hereinafter "Devereux") and WILLISTOWN TOWNSHIP, a Township of the Second Class organized and existing under the laws of the Commonwealth of Pennsylvania with an address at 688 Sugartown Road, Malvern, Pennsylvania 19355 (the "Township").

BACKGROUND

- A. Devereux is the owner of approximately 82 acres along Sugartown Road within the Township, known as the Mapleton Campus, with an address of 655 Sugartown Road, Malvern, Willistown Township and a UPI Number of 54-3-432-E (the "Property").
- B. The Township owns and operates a sewage collection system within the Township which ultimately diverts sewage to the Valley Forge Sewer Authority Treatment Plant (the "Sewer System").
- C. The Property is currently served by a failing on-lot septic system. In lieu of repairing and/or replacing the failing on-lot septic system, Devereux desires to cease using the on-lot septic system and connect to the Sewer System.
- D. On the 3rd day of August, 2009, the Township and Devereux entered into a Purchase of Sewage Capacity Agreement (hereinafter "Capacity Agreement"), whereby the Township agreed to sell Devereux 18,000 gallons per day of sewage capacity in the Sewer System (or 64 Equivalent Dwelling Units ("EDUs") based on 275 gallons per day per EDU pursuant to the ordinance in effect at the time of the filing of Devereux's land development plans).
- E. Devereux intends to connect to the Sewer System by means of a pump station ("Pump Station") to be located on the Property, and a force main ("Force Main") and associated piping to be installed within the public right-of-way of Sugartown Road to connect to an existing force main located in the vicinity of Sugartown Road and School Lane (the "Sewer Project"). The Force Main, Pump Station, and Sewer Project are depicted on the Sewer Plans (as defined below).
- F. Devereux has prepared and submitted to the Township plans depicting the Pump Station, Force Main, and other improvements associated with the Sewer Project, and reduced scale copies of said plans are attached hereto as Exhibit "A" (the "Sewer Plans"). Said Sewer Plans consist of the following:
 - Sanitary Sewer Construction Plan prepared by Nave Newell dated December 16, 2006, last revised May 26, 2009 (hereinafter "Sanitary Sewer Plan");

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- 2. PennDOT Highway Occupancy Permit Plan prepared by Nave Newell dated November 5, 2006, last revised February 19, 2009 (hereinafter "HOP Plan"); and
- 3. Preliminary/Final Land Development Plan dated December 15, 2006, last revised June 11, 2009 consisting of sheets 4, 5, 6 and 12 (hereinafter "Land Development Plan").
- G. The Pump Station, Force Main and other improvements associated with the Sewer Project have been engineered and designed to accommodate a possible future connection to the Laurel Circle area which area consists of approximately 64 homes ("Laurel Circle Area").
- H. Devereux and the Township desire to set forth the terms and conditions upon which the Sewer Project is to be constructed and maintained.

NOW THEREFORE, intending to be legally bound, the parties hereto do agree as follows:

1. <u>Incorporation of Background and Exhibits</u>.

- a. Background Sections A through H and Exhibit "A", are incorporated by reference as if set forth fully herein.
- b. The Capacity Agreement is incorporated by reference as if set forth fully herein.

2. Parties; Successors.

- a. Devereux, on behalf of itself, its heirs, executors, administrators, successors and assigns and all persons and entities claiming any right, title or interest by, from, under or through it or any of them (jointly and severally hereinafter called "Devereux"), for the benefit of Township, its successors and assigns, hereby makes the Property subject to all the covenants, conditions, restrictions and agreements set forth in this Agreement, which shall be covenants running with the land and shall be binding upon Devereux, and upon all persons and entities claiming any right, title or interest by, from, under or through Devereux, or because of any sheriff, judicial or tax sale, or any transfer, whether voluntary or involuntary and upon each and every person, corporation, partnership, association, trust or legal entity or any combination thereof having any interest in the Property or any part or portion thereof.
- b. All provisions herein for the benefit of the Township shall inure to the benefit of Township its successors and assigns. Obligations of Township shall be binding upon its successors and assigns.



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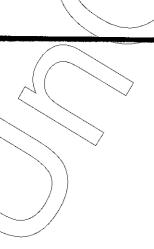
3. Township Representations and Covenants.

a. Upon the filing of the financial security described in Section 4.d. below, the Township agrees to issue, upon application therefor, all building or other required permits for the construction of the Sewer Project, provided such applications are in accordance with the terms of this Agreement, the Sewer Plans and applicable ordinances and laws.

4. Devereux Representations and Covenants.

- a. Promptly following the receipt of all unappealed and unappealable permits necessary for the construction of the Sewer Project including any permits from and approvals of Willistown Township, Devereux will seek bids for the construction of the Sewer Project in accordance with the Sewer Plans.
- b. Devereux agrees that promptly following the execution of all contracts necessary to construct the Sewer Project, and prior to the commencement of construction, Devereux will post the Bond in accordance with Section 4.d. below and commence construction of the Sewer Project, in accordance with the Sewer Plans.
- c. Devereux agrees that Devereux will use reasonable efforts to cause the Sewer Project to be substantially completed within eighteen (18) months of the date of commencement of construction pursuant to section 4.b. above.
- d. Devereux shall furnish to the Township a Performance Bond in form satisfactory to the Township Solicitor in the amount of Seven Hundred Ninety-Six Thousand Six Hundred Fifty-Two Dollars (\$796,652.00), or 110% of the estimated cost of construction of the Sewer Project, whichever is greater, securing the performance of Devereux's obligations as set forth in this Agreement (the "Bond").
- e. Devereux shall not discharge any waste that is not strictly sanitary sewage into the Sewer Project or Sewer System. Devereux agrees to comply with all applicable Township and Valley Forge Sewer Authority rules and regulations governing acceptance of industrial waste.
- f. Devereux agrees to pay to Township all fees and charges due from time to time, including, but not limited to the tapping and connection fees.
- g. Devereux shall promptly reimburse Township for Township's reasonable expenses in monitoring, inspecting, sampling and testing, (including, without limitation, laboratory work and consultant fees) in an effort to determine whether Devereux is complying with Township rules and regulations.
- h. Devereux agrees to make or cause prompt payment to be made of all sewer rental, penalties, and interest charged by Township from time to time for each equivalent dwelling unit or sewer rental unit now or subsequently constructed, created or used upon the





Property. If payment is not made within the time frames established by the rules, and regulations policies or procedures established by the Township, a lien may be filed against the Property as Township may elect. In addition, Township may use any one or more other available remedies. All costs and expenses of collection may, including but not limited to attorney's fees, may be billed as a sewer rental and shall be paid by Devereux, and the aggregate of the same shall be entered as a lien against the Property.

f. Devereux represents and warrants that the Force Main and Pump station have been designed to accommodate a possible future connection to the Laurel Circle Area.

5. Construction and Maintenance.

- a. Devereux agrees, at its sole expense, that the installation, construction and maintenance of the Sewer Project shall be done in a good and workmanlike manner and in accordance with the Sewer Plans and all applicable laws, regulations and ordinances, which may be inspected and confirmed by the Township Engineer or other person designated for that purpose by the Board of Supervisors of Willistown Township, for which Devereux shall be responsible for all standard and reasonable costs of inspection.
- b. Devereux agrees to maintain the Sewer Project until time of dedication in accordance with all applicable standards, rules and regulations, ordinances and approvals of the Township, the Valley Forge Sewer Authority, the Chester County Board of Health, the Pennsylvania Department of Environmental Protection, and all other governmental entities having jurisdiction, and, in the event said standards, rules and regulations, ordinances or approvals differ, Devereux agrees to comply with the strictest or most stringent requirement found in any applicable rule or regulation. If Devereux fails to comply with the foregoing, the Township, after written notice to the Devereux or Devereux's representative and an opportunity to cure pursuant to Paragraph 7, in addition to any other remedy, shall have the right to cause any work to be done which Township deems to be necessary or appropriate at the expense of Devereux.
- c. The Township shall at all times have the right, but not the obligation, to access the Sewer Project so that it may be inspected to ensure that it has been properly installed and constructed and is being properly maintenance and all components are in good working order.
- d. Devereux, at Devereux's sole cost and expense, agrees to pay to the Township its proportionate share for all necessary upgrades and repairs to sewer facilities located outside of the Property and/or pay any applicable fees associated with such upgrades or repairs, which are utilized as part of Devereux's Sewer Project. Notwithstanding anything to the contrary as may be contained above and in the event that said necessary upgrades and repairs to the sewer facilities located outside of the Property are necessitated solely due to Devereux's increased sewage capacity in connection with the Sewer Project, Devereux shall pay any and all applicable fees associated with such upgrades or repairs. The necessary upgrades and repairs shall be made to the satisfaction of the Township. All such upgrades and repairs and/or all applicable fees associated with such upgrades or repairs, shall be completed and paid prior to any connections



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being made to Township's sewerage system. The contribution associated with the Pump Station 3 improvements is governed by Paragraph 3 of the Capacity Agreement.

- e. Prior to the time any wastewater is discharged directly or indirectly into the Sewer System, Devereux shall have complied with all applicable statutes, resolutions, ordinances, rules and regulations, and approvals, including without limitation, making any payments required by any of them.
- f. Devereux hereby agrees to waive is right to optional reimbursement and/or mandatory reimbursement under Sections 5607(d)(24)(i)(C)(IV) and 5607(d)(31) of the Pennsylvania Municipal Authorities Act, 53 Pa.C.S. §§ 5607(d)(24)(i)(C)(IV), 5607(d)(31), and Devereux agrees to permit the use of the Sewer Project by the owner of another property or the Township without reimbursement to the Owner. This paragraph shall survive the termination of this Agreement.

6. <u>Dedication and Acceptance</u>.

- a. Devereux agrees that Township does not currently want to accept an offer of dedication of any portion of the Sewer Project. Notwithstanding anything to the contrary above, Devereux hereby offers to dedicate a portion of said Sewer Project to Township and corresponding easements, which offer shall remain open until such time, if any, as Township in its sole judgment accepts for no consideration the offer of dedication and the Laurel Circle Area is to be connected to the Sewer System. Said portions of the Sewer Project that are subject to said offer of dedication shall solely consist of:
 - (i) the Pump Station;
 - (ii) The portion of the Force Main and associated piping running between Sugartown Road right-of-way and the Pump Station;
 - (iii) the Force Main and associated piping within the Sugartown Road right-of-way (collectively the "Dedicated Improvements");
 - (iv) in the sole event that the Laurel Circle Area is connected to the Sewer System, gravity sewer run S-2 (as depicted on the Sewer Plans) connecting to the Pump Station; and
 - (v) in the sole event that parcel 54-3-17 is connected to the Sewer System, gravity sewer rune S-10 (as depicted on the Sewer Plans) connecting to the Pump Station.

The Township shall have the sole discretion to accept the dedication of all or part of the foregoing portions of the Sewer Project.



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- b. Devereux agrees that at such time, if any, as Township in its sole discretion decides to accept said offer of dedication of said portion of the Sewer Project, as set forth in this Section 6, to grant and convey to Township, its successors and assigns, such rights, right-of-ways and easements on and under the Property and Dedicated Improvements as are necessary or appropriate to inspect, construct, operate, replace, renew, repair and maintain the Dedicated Improvements with accessories and appurtenances, together with all rights of ingress, egress and regress in, to, over, upon, through, along and from the Property, necessary or convenient for full and complete use by Township of the said rights (or any one of them), right-of-ways and easements, to have and to hold the said perpetual right-of-ways and easements unto Township, its successors and assigns, to and for its and their use, as specified herein, forever. Devereux further agrees to dedicate to the Township for no consideration an easement on its Property to the Pump Station to service the Laurel Circle Area as delineated on the map sheet 4 of the Land Development Plan (with all easements and rights-of-way set forth in this paragraph 6 b collectively referred to as "Easements"). The Township may, but shall not be obligated to, accept dedication of the Easements.
- c. Devereux agrees that at such time, if any, as Township in its sole discretion decides to accept said offer of dedication of said portion of the Sewer Project as set forth in this Section 6, the following shall be tendered to the Township by Devereux:
 - (i) Devereux shall provide Deeds of Dedication, in such form that is acceptable to the Township in all respects, dedicating the Dedicated Improvements as a public improvement (including right-of-ways for access) in a condition complying with the Sewer Plans;
 - (ii) Devereux shall provide a letter of credit or bond in the amount of fifteen (15%) of the construction costs of the Sewer System for a period of eighteen (18) months securing the maintenance and upkeep of the Sewer Project;
 - (iii) Devereux shall provide an amount equal to the cost of recording said deeds; and
 - (iv) Devereux shall provide a certificate of title evidencing no liens or encumbrances on the Easements (hereinafter defined) or the land immediately beneath the Dedicated Improvements.
- d. Devereux also agrees to cooperate with the adjacent property owner of the property designated as tax parcel #54-3-17 ("Adjacent Property") and to provide any necessary easements to allow the Adjacent Property to connect to the Dedicated Improvements provided the Adjacent Property obtains any and all applicable Township and DEP approval and assumes all costs for such connection including but not limited to design and construction.



e. Devereux agrees to reimburse the Township for all reasonable costs incurred by Township with respect to the proposed design, construction, operation and maintenance of the sewerage facilities prior to dedication. These costs shall include, but are not limited to engineering, legal, administrative, inspection, consultant fees, and testing costs.

7. Miscellaneous.

- shall notify Devereux in writing of such failure and thereafter Devereux shall have a period of thirty (30) days within which to cure such failure. If Devereux fails to cure such failure within such thirty (30) days period, then Township shall have the right, upon written notice to Devereux of Township's intention to do so, to draw upon the Bond and use such funds to cure such failure on behalf of Devereux. If the Bond is insufficient to cover any costs actually expended by the Township to cure such default, then Devereux shall promptly reimburse the Township for such deficiency; if the Township draws down upon the Bond in amounts which exceed the costs actually expended by the Township to cure such default, then such excess shall be promptly refunded to Devereux.
- b. Notices. Any notice or demand given or served by any Party shall not be deemed to have been duly given or served unless in writing and personally delivered or forwarded by postage prepaid certified or registered mail, return receipt requested, or by another commercially recognized means of delivery which maintains delivery records (such as Federal Express), addressed as follows:

To the Township:

Township Manager Willistown Township 688 Sugartown Road Malvern, PA 19355

With a required copy to:

Vincent M. Pompo Lamb McErlane PC 24 East Market Street P.O. Box 565

West Chester, PA 19381-0565

To Devereux:

The Devereux Foundation Atm: President 444 Devereux Drive Villanova, Pennsylvania 19085

With a required copy to:

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Debra A. Shulski, Esquire Riley Riper Hollin & Colagreco P.O. Box 1265 717 Constitution Drive, Suite 201 Exton, PA 19341

- c. Entire Agreement. The terms set forth in this Agreement are intended by the Parties as a final expression of their agreement with respect to such terms and may not be contradicted by evidence of any prior agreement or of any contemporaneous oral agreement. This Agreement may not be amended or modified by any act of conduct, unless reduced to a writing signed by all of the Parties.
- d. Binding Effect. The covenants contained in this Agreement shall bind the Parties and their respective successors and assigns.
- e. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall constitute an original but all of which, taken together, shall constitute one and the same agreement.
- f. Controlling Law and Recordation. This Agreement shall be interpreted and enforced in accordance with the procedural, substantive and constitutional laws of the Commonwealth of Pennsylvania, without regard to any principals of conflict of laws, and shall be recorded in the Chester County Recorder of Deeds.
- g. Time of Essence. Time shall be of the essence for each and every provision herein of which time is an element.
- h. Enforceability. Failure to enforce any provision of this Agreement shall not be deemed a waiver of the Township's right to enforce any or all provisions hereof. The Township assumes no responsibility for enforcement of this Agreement. No duty or responsibility of Devereux shall be deemed to have been shifted in whole or in part to Township by this Agreement, but Devereux shall remain as fully responsible as it would have been if this Agreement had never been executed. Devereux agrees to indemnify and hold harmless Township, its engineer and their agents and employees, from and against all claims, damages, losses, fines, penalties and expenses, including, without limitation attorney fees arising out of, or resulting from the construction of the Sewer Project or from discharge of effluent from the Property. In addition, in the event of breach of any provision of this Agreement, Devereux agrees to reimburse Township for any expenses incurred by Township as estimated by Township as a result of such breach, including but not limited to attorneys fees.



IN WITNESS WHEREOF, the parties hereto have hereunder set their hands and seals or caused this Agreement to be duly executed by their respective duly authorized officers, the day and year first above written.

ATTEST OR WITNESS:

ATTEST OR WITNESS:

Mary L. Conorro Secretary or Assi! Sect.,

ATTEST:

Deserty moderatech

THE DEVEREUX FOUNDATION:

Authorized officer/agent or other authorized

signer

THE DEVEREUX FOUNDATION:

HH CD By:

Authorized officer/agent or other authorized

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signer

BOARD OF SUPERVISORS OF WILLISTOWN TOWNSHIP

By: C. Chairman, Board of Supervisors

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COMMONWEALTH OF PENNSYLVANIA	A :	
COUNTY OF Montgomery	: ss :	
ON this, the 4th day of Augu public, personally appeared Robert C. Dur Sr. V. P. C. Fo of Devereux Founds authorized as such officer, to execute the Agreement on behalf of the entity for the pur	nne, who acknown thom, and foregoing Sewer	acknowledged that she/he is Construction and Maintenance
IN WITNESS WHEREOF, I hereunt	o set my hand and o	fficial seal.
	thathlow	Morrowe
	Mathleen Notary Public	COMMONWEALTH OF PENNSYLVANIA
		Notarial Seal Kathleen Downey, Notary Public Upper Merion Twp., Montgomery County My Commission Expires Jan. 16, 2012
COMMONWEALTH OF PENNSYLVANIA	A :\\	Member Pennsylvania Association of Notaries
COUNTY OF Montgomery	: ss :	
ON this, the 3 day of Question H. M. M. Street of the Deverence of authorized as such officer, to execute the Agreement on behalf of the entity for the pure	who acknowled the foregoing Sewer	acknowledged that she he is Construction and Maintenance
IN WITNESS WHEREOF, I hereunt	o set my hand and o	fficial seal.
COMMONWEALTH OF PENNSYLVANIA		
Notarial Seal Faith Johnson, Notary Public Lower Merion Twp., Montgomery County My Commission Expires Aug. 5, 2010	Tatil (Danson
Member, Pennsylvania Association of Nicitaries	Notary Public \checkmark	
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COMMONWEALTH OF PENNSYLVANIA	A :	
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Commonwealth of Pennsylvania COUNTY OF Chester

ON this, the 17 day of August, 2009, before me, the undersigned notary public, personally appeared William R, Shambasho acknowledged himself to be the Chairman of the Board of Supervisors of Willistown Township, and that as such officer, executed the foregoing Sewer Construction and Maintenance Agreement for the purposes therein contained.

: ss

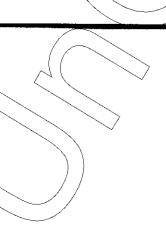
IN WITNESS WHEREOF, I hereunto set my hand and official seal.

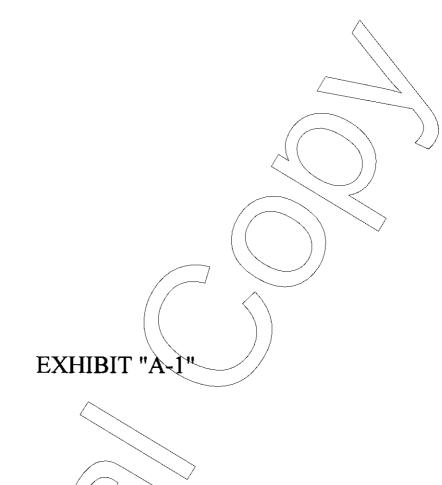
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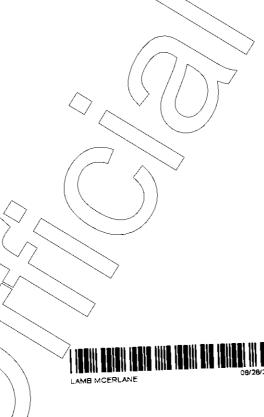


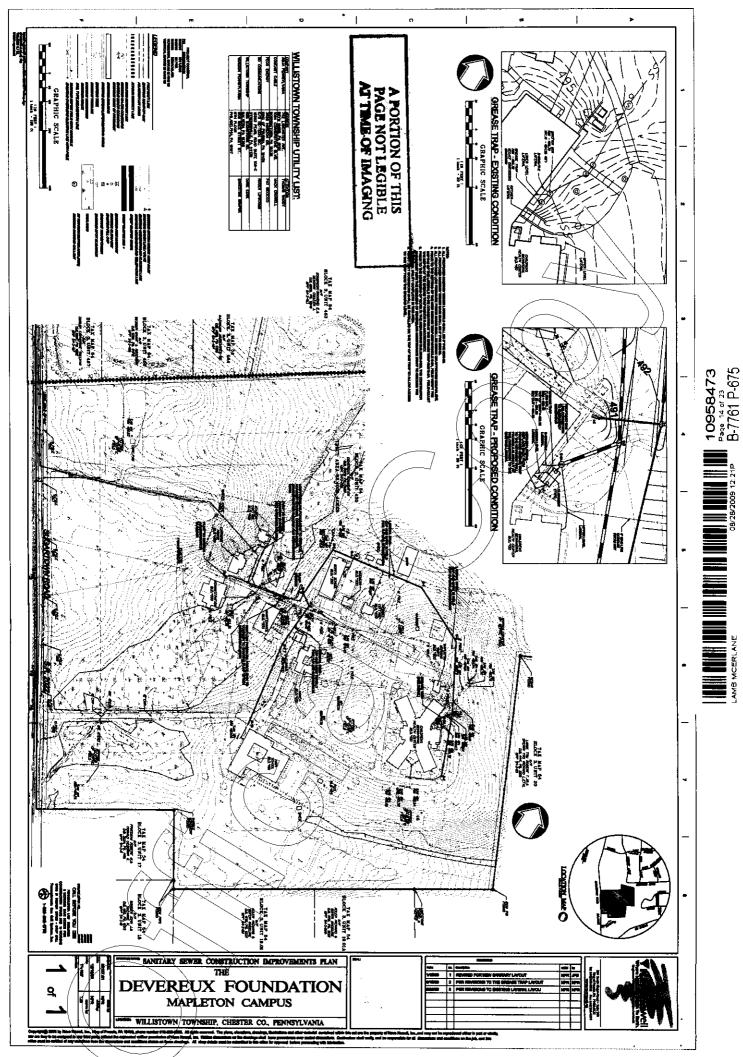
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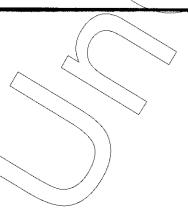
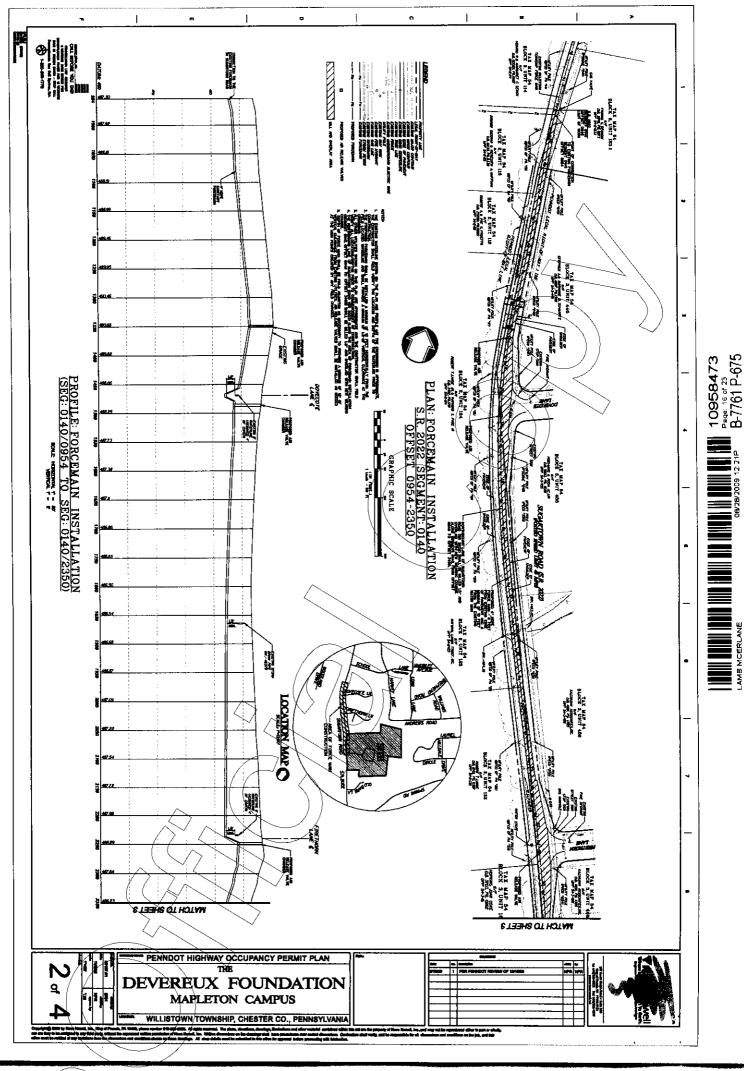


EXHIBIT "A-2"





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